

VZCZCXYZ0012
PP RUEHWEB

DE RUEHLP #1118 1131905
ZNR UUUUU ZZH
P 231905Z APR 07
FM AMEMBASSY LA PAZ
TO RUEHC/SECSTATE WASHDC PRIORITY 3312
INFO RUEHAC/AMEMBASSY ASUNCION 6722
RUEHBO/AMEMBASSY BOGOTA 4051
RUEHBR/AMEMBASSY BRASILIA 7940
RUEHBU/AMEMBASSY BUENOS AIRES 5189
RUEHCV/AMEMBASSY CARACAS 2419
RUEHPE/AMEMBASSY LIMA 2545
RUEHMD/AMEMBASSY MADRID 3430
RUEHMN/AMEMBASSY MONTEVIDEO 4558
RUEHQT/AMEMBASSY QUITO 5058
RUEHSG/AMEMBASSY SANTIAGO 9641
RHMFIUU/HQ USSOUTHCOM MIAMI FL
RUMIAAA/USCINCSO MIAMI FL
RUEHUB/USINT HAVANA 0274
RHEHNSC/NSC WASHINGTON DC
RHEBAAA/DEPT OF ENERGY WASHINGTON DC
RUCPDO/DEPT OF COMMERCE WASHINGTON DC
RUEATRS/DEPT OF TREASURY WASHINGTON DC

UNCLAS LA PAZ 001118

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STATE FOR WHA/AND
TREASURY FOR SGOOCH
ENERGY FOR CDAY AND SLADISLAW

E.O. 12958: N/A
TAGS: [PGOV](#) [ECON](#) [ENRG](#) [EPET](#) [CASC](#) [BL](#)
SUBJECT: CHACO SITUATION CALM; NEGOTIATIONS ONGOING

REF: LA PAZ 1112

After the fighting of April 17 and 18 (reftel), the conflict over provincial borders in Tarija abated. On April 21, the GOB retook control of natural gas pumping stations, and gas exports to Argentina and Brazil returned to normal levels. The Chaco province also lifted its strike and road blockades that day. The GOB convened a meeting of the Tarija prefect and local officials from the two provinces involved in the dispute on April 23 at 10:00 a.m. to resolve the problem. As of late afternoon, the negotiations, led by Vice President Alvaro Garcia Linera, were ongoing. President Morales suggested a "political" solution to the conflict (which would seem to favor the Chaco province), while representatives from O'Conner province demanded a legal solution and brandished documents claiming that they had the legal upper-hand.
GOLDBERG